

# **A Brief Description on “Nepal Social Marketing and Franchise Project: AIDS, Reproductive Health and Child Survival (N-MARC)” June 2006 – December 2009**

## **IMPROVING PUBLIC HEALTH THROUGH PARTNERSHIPS**

The mission of the USAID-funded Nepal Social Marketing and Franchise Project (N-MARC), under the leadership of the Academy for Educational Development (AED), is to increase the availability and sustained use of family planning (FP), maternal and child health (MCH), and HIV/STI prevention products and services in Nepal.

N-MARC forms local public-private partnerships that will develop and expand the reach of health products and services including condoms, long and short-term contraceptives, clinical family planning and sexual health services, diarrhea treatment products, and other products and services that can improve public health.

## **CURRENT PARTNERS UNDER N-MARC**

- Ministry of Health and Population
- United States Agency for International Development
- Nepal CRS Company
- Nepal Fertility Care Center
- EngenderHealth

Over a project period of 3.5 years, N-MARC will form public-private partnerships that will develop and expand the reach of health products and services that will include condoms, long and short-term family planning methods, diarrhea treatment products, and pre-packaged therapy for sexually transmitted infections (STIs). AED's partner is the newly formed local “Partnership for Nepal Social Marketing” (the “Partnership”), which currently includes the Nepal Contraceptive Retail Sales (CRS) Company and the Nepal Fertility Care Center (NFCC), and associate organizations.

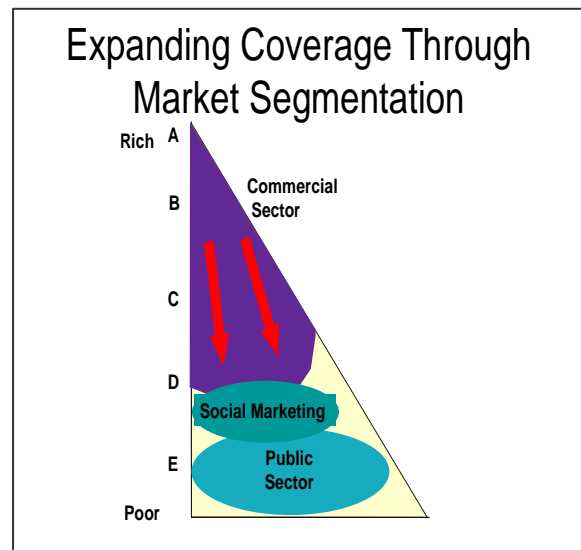
## **Strategic Approach**

AED will implement a Full Market Impact™ (FMI) approach, its key methodology for achieving N-MARC objectives. FMI addresses the four P's of marketing, (product/supply, price/affordability, place/distribution, and promotion/demand and appropriate use) and has three expected outcomes – equity, commercial viability, and sustainable public health impact. FMI strategies will increase accessibility and affordability of health products and services, behavior change and demand creation, and health marketing and franchising systems to achieve equity and sustainable public health impact.

**1. Product/Supply:** N-MARC will increase the supply of FP, MCH, and HIV products by helping partners in the private, NGO, and public sectors introduce new products and brands. N-MARC's approach for market segmentation calls for the commercial, social marketing/NGO, and public sectors to play critical roles in serving the "total market." N-MARC will stimulate private sector competition, encourage commercial investments, and build sustainability.

**2. Price/Affordability:** N-MARC will increase use of FP, MCH, and HIV/AIDS/STI products among at-risk, vulnerable groups by ensuring access to subsidized products, and will promote affordable full-priced products to the fullest extent possible to reduce dependence on donated products, increase commercial participation in public health programs, and enhance prospects for RH commodity security.

**3. Place/Distribution:** With investment from USAID, other donors, the commercial sector, and possibly microfinance institutions, N-MARC will expand the reach of FP, MCH, and HIV products and services; expand partner distribution capacity; expand the availability and accessibility of franchised health network services; and work with NGO partners to reach key groups not easily reached through commercial distribution.



**4. Promotion/Demand and Appropriate Use:** N-MARC will increase use of FP, MCH, and HIV products and services by generating demand through integrated, research-based, communications campaigns that will promote growth of a product category (e.g., condoms) rather than a single brand. Behavior change interventions will include peer education programs, interpersonal communications, and other activities that directly reach specific target groups. To encourage corporate investment, increase commercial marketing, and expand retail networks into poorly served areas, N-MARC will use project "matching funds" to match specific expenditures of its commercial partners for growing the market based on annual product marketing plans developed with N-MARC as part of its "joint risk, joint investment" approach.

## ***Impact***

**1. Equity:** N-MARC will increase use of products and services among at-risk, poor, hard-to-reach, and vulnerable populations through innovative and established approaches that ensure that targeted subsidies reach those who really need them. At the same time, we will avoid monopolistic and untargeted subsidized approaches that ultimately thwart competition and are not self-sustaining. (AED is a global leader in designing and implementing innovative targeted subsidy models that reach high-risk

and poor populations; tap the resources of public, NGO, and private sectors; and simultaneously foster commercial market expansion.)

**2. Commercial Viability:** N-MARC will develop a sustainable “total market” of products by increasing cost recovery and cost sharing with partners for heavily subsidized products, promoting full-price products, and facilitating lasting partnerships between suppliers and distributors. Commercial partnerships will be based on a “joint risk, joint investment” approach.

**3. Sustainable Public Health Impact:** As the AED Team implements an integrated program that addresses each of the above-mentioned components, the commercial market will expand to meet the health needs of more and more of Nepal’s at-risk populations, reducing the burden on the public sector, and allowing donor investment to be better targeted to reach the neediest.

### **Social Marketing of Products**

AED partners with the newly formed “Partnership for Nepal Social Marketing” (the “Partnership”), which currently includes Nepal CRS Company, NFCC, and other associate organizations to implement N-MARC social marketing initiatives. Through this Partnership, AED will implement the above market segmentation strategy to support the marketing of subsidized and non-subsidized FP, MCH, and HIV prevention products targeting high risk and low socioeconomic class (SEC) populations, using USAID and KfW-donated commodities.

AED will not register any of its own brands in Nepal or directly participate in the market. Local nonprofit partners such as CRS and commercial partners will own and oversee all existing and new products, independent from AED. Initially, CRS will take the lead in the Partnership’s social marketing initiatives, with its primary role to market subsidized and/or affordable PHPs to low-income consumers and to continue to manage the Sangini pharmacy network.

As part of AED’s commitment to supporting a ‘total market’ approach towards social marketing, N-MARC’s commercial marketing strategy will not be exclusive to CRS. AED will open discussions with both local and multi-national commercial companies interested in marketing public health products. N-MARC will use ‘matching funds’ to create incentives for private sector investment in FP/RH, MCH, and HIV prevention market based on its successful work with commercial partners in other AED programs.

N-MARC will support generic and brand-specific promotion to develop the total market for the PHPs, and partner with local NGOs and commercial partners to enhance and expand access to PHPs in areas currently underserved by the Partnership.

## **Social Franchising Networks**

Under N-MARC, AED will work with partners to strengthen franchised health networks that include a revived *Pariwar Swasthaya Sewa Network (PSSN)* physician network, *Sewa* auxiliary nurse midwife (ANM) network, and the Sangini pharmacy network. Network providers will be trained in promoting FP benefits, side-effects counseling and management, client-provider interaction (CPI) skills using evidence-based information, and infection prevention.

CRS and NFCC closely coordinate to oversee the management of these networks, with NFCC taking the lead on managing quality assurance and training. All outlets and providers will be assessed and given feedback on basic physical facilities and supplies, client-provider interaction (CPI) skills, counseling, clinical knowledge and skills, filling of forms and registers, and timely and accurate reporting.

Expansion of these franchised networks is a critical for reaching consumers in underserved areas with inadequate public sector services, or providing specialized services that nearby public facilities are unable to provide, such as sterilization. N-MARC will coordinate these expansion efforts with the Ministry of Health and Population (MOHP) and district governments.

## **AED's Capacity Development Approach**

AED is committed to restoring leadership of Nepal's social marketing and social franchising movement to local organizations, with quality technical and management support from the AED team. AED's role is to be a facilitator and capacity-builder, not a market participant registering or marketing our own brands. Our philosophy is to let our local partners take the lead with our supervision and support.

AED and EngenderHealth will manage capacity-building, and management and technical support, through its resident TA team (RTAT) consisting of an expatriate Resident Advisor, local Technical Director, local Public-Private Partnerships Coordinator, local Quality Assurance (QA) Advisor, and home office backstop team. AED/N-MARC will use local resources for "south-to-south" (or "Nepal-to-Nepal") capacity building and TA. AED and its partners will provide capacity building and TA in the key areas such as:

- Procurement and contracts
- Social marketing, social franchising, and behavior change communications
- Service delivery and quality assurance
- Monitoring, evaluation, and research
- Management, logistics, and operations systems
- Professional development

AED believes that AED, EngenderHealth, the Partnership, the media and commercial partners, and other institutional collaborators offer the best combination of staff, experience, and capacity to achieve the results of N-MARC with sustainable impact

### **A Clear Focus on Sustainability**

To ensure long-term survival, AED will systematically prepare the Partnership for “life after N-MARC.” AED will help the Partnership establish or reinforce linkages with other donors and grant funding sources that will expand its social marketing and franchising mission. In N-MARC’s final year, AED will help the Partnership develop a comprehensive marketing strategy, with a clear plan to achieve adequate revenue. This will coincide with the development of revenue, expense, and cash flow projections for cost centers within the partner organizations to encourage individual and organization-wide development tied to incentives.

As AED implements the integrated program described above, the commercial market will expand to meet the health needs of more and more of Nepal’s at-risk populations, reducing the burden on the public sector, and allowing donor investment to be better targeted to reach the neediest.